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Immobilienbewertung und Analyse

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VALUATION REPORT

Property:	Office and retail property
Address:	Heiligen-Geist-Kamp 4a D-23568 Lübeck
Prepared for:	Prime Office A/S Skt. Knuds Torv 3,3 DK-8000 Aarhus C
Purpose of valuation:	Determination of the market value in accordance with Red Book standard for financing purposes. This valuation is an update of the former reports prepared in 2014.
Date of valuation:	27.11.2017
Date of inspection:	27.11.2017

Table of Contents

No.	Section	Page
1	Executive Summary	3
2	Short description	5
2.1	Building construction	5
2.2	Building structure	5
2.3	Legal situation	7
2.4	Valuation comments	8
2.5	Market value and conclusion	11
3	Appendix	12

1 Executive Summary

Basic information

Object:	Address:	**Heiligen-Geist-Kamp 4a** **D-23568 Lübeck**
	Municipality distr.:	Lübeck
	Federal state	Schleswig-Holstein
Owner:	Office-Kamp Immobiliengesellschaft mbH, Lübeck	
Date of inspection:	01.02.2016 (27.11.2017 outside)	
Inspected units:	2 office, 2 retail units	

Property

Use class:	office and retail property
Year of construction:	2008
Year of reconstruction:	-
Year of refurbishment:	-
Site area:	2,122 sq. m.
Surrounding area use:	office, car dealership, residential

	Units	areas	Vacant units	Vacant areas	%
Residential:	0	0	0	0	0%
Office:	5	1,329	0	0	0%
Retail:	1	388	0	0	0%
Storage:	1	170	0	0	0%
Parking lots:	33		0		0%
Garages:	0	0	0		0%
Others: Gastronomy	0	0	0	0	0%
Others: medical practice	1	249	0	0	0%
Others:	1	0	0	0	0%
Total	**42**	**2,136**	**0**	**0**	0%

Building materials:	
Roof:	concrete constrcution, flat roof with greenery
Windows:	aluminium framed insulating glazing
Facades:	large glass and wooden elements
Basement:	partly basement, massive construction
Staircases:	concrete construction, without cover
Installations:	medium standard
Type of construction:	steel concrete frame construction

Authorities

Building law:	development pl: MI – mixed use; building land
Environmental/contamination issues:	none
Taxes:	none
Preservation order:	none
Encumbrances land register:	none
Encumbrances public obligations:	none

State of maintenance

(1) Very good condition - (4) Medium condition - (7) Very poor condition, in need of immediate repair

	1	2	3	4	5	6	7
State of maintenance roof:		X					
State of maintenance windows:		X					
State of maintenance facade:			X				
State of maintenance basement		X					
State of maintenance staircases			X				
State of maintenance technical installations:		X					
State of maintenance other relevant issues:			X				
Overall state of maintenance:		X					
Backlog:	none						

Additional assessments

	1	2	3	4	5	6	7
Location quality Residential:				X			
Location quality Commercial:				X			
Rent ability residential units:							
Rent ability commercial units:			X				
Sale ability:				X			
Eligibility for collateral in the short run:		X					
Eligibility for collateral in the long run:				X			
Alternative use:						X	
Type of alternative use:	none						
Method for the valuation:	Discounted cash flow						

Special conditions

Special conditions in the rental contracts:	3 contracts without VAT
Special conditions in the purchase contract:	n/a

Other information

Are there any interest between the tenants and the owner:	no
Is the rent in the rental contracts specified for each category of use:	yes
Rental contracts including VAT	3 contracts without VAT
Other/additional relevant information:	income of photo voltaic included

1) 1=best; 7 very poor

Value

Date of purchase:	n/a
Sales price within the last 2 years:	n/a
Cap. Rate in 10 years:	6.50%
Discount rate:	3.75%
Market value:	3,950,000
Value per square meter useable area:	1,849 €/sq. m.

2 Short Description

2.1 Building construction

Property type:	Office and retail property	
Year of …:	construction:	2008
	modernization:	none
	refurbishment:	ongoing maintenance
Construction:	Type of construction:	steel concrete frame construction
	Interior walls:	concrete, light weight construction
	Floor slabs:	reinforced concrete
	Facade:	large glass and wooden elements
	Windows:	aluminium framed insulated glass
	Roof:	flat roof with greenery and installed photovoltaic system
	Staircase:	reinforced concrete, steel emergency stair
	Balconies:	none
Installations:	Heating:	central gas heating
	Warm water:	electric boilers, warm water preparation plant in the supermarket
	Electrical:	normal quality
	Lift:	1 person elevator, freight elevator
	Others:	photovoltaic cell on the roof, air-condition in supermarket unit
Fitting quality:	Office:	medium, modern loft quality
	Retail:	medium
Other special fittings:	Supermarket with typically refrigerated storage rooms	
Condition of the building:	No value influencing damages. Overall the building is in a good condition.	
Latest modernization/ maintenance:	■ Repair of façade and improvement of office unit 2nd floor in 2016	

2.2 Building structure

Number of buildings:	1	
Building structure:	Basement:	part cellar, supermarket storage
	Ground floor:	retail units, technic rooms
	Upper floors:	office

Units, areas and income:

use	rental units			space			vacancy	current rent	
	occup.	vacant	total	occup.	vacant	total	rate	€/sq. m.	total (month)
residential	0	0	0	0	0	0	0.0%	0.00	0.00 €
office	*5*	*0*	*5*	*1,329*	*0*	*1,329*	*0.0%*	*9.84*	*13,066.55 €*
med. pract.	*1*	*0*	*1*	*249*	*0*	*249*	*0.0%*	*10.52*	*2,621.75 €*
retail	*1*	*0*	*1*	*388*	*0*	*388*	*0.0%*	*10.01*	*3,882.01 €*
hotel	*0*	*0*	*0*	*0*	*0*	*0*	*0.0%*	*0.00*	*0.00 €*
gastro	*0*	*0*	*0*	*0*	*0*	*0*	*0.0%*	*0.00*	*0.00 €*
storage	*1*	*0*	*1*	*170*	*0*	*170*	*0.0%*	*6.85*	*1,163.77 €*
special	*0*	*0*	*0*	*0*	*0*	*0*	*0.0%*	*0.00*	*0.00 €*
sub. comm.	8	0	8	2,136	0	2,136	*0.0%*	*9.71*	20,734.08 €
subtotal	**8**	**0**	**8**	**2,136**	**0**	**2,136**	**0.0%**	**9.71**	**20,734.08 €**
parking out	33	0	33				0.0%	0.00	990.00 €
parking in	0	0	0				0.0%	0.00	0.00 €
other	1	0	1				0.0%	0.00	666.00 €
total	**42**	**0**	**42**	**2,136**	**0**	**2,136**			**22,390.08 €**
						total p.a.			**268,680.96 €**

Tenant quality:

The commercial tenants are either regionally or nationally acting companies.

QDA Solution GmbH, former ASI DATAMYTE (main tenant 31%) is a leader in providing solutions for quality management in assembly, manufacturing and laboratory operations around the globe. The company is operating with 40 offices in more than 70 countries and is further expanding.

EVG Landwege is a collective, which supports the cultivation of organic products. The association has five organic supermarkets in and around Lübeck and is further expanding.

Inlingua is also an international network company for language training. In Germany there are 70 different language centres.

Schultheiss is a real estate broker and administration company working locally in Lübeck.

Dr. Sobhi Mahdi
Dr. Mahdi is a well-known paediatrist with a very good reputation. His practice is well visited. But they have extended the contract for only 1 year.

Itzehoer Versicherung
The tenant is a broker of the insurance group Itzehoer Versicherung, which has a balance sheet sum of €1.2bn and a staff of 620 employees and is a national player.

The tenants are estimated to have a good reliability.

2.3 Legal situation

Building law:	Zoning plan Development plan	M - Mixed use area from 2007 MI – mixed use, 3 storeys floor to area ratio 1.1
Special local constitutions:	None	
Land register:	Rights (no changes assumed): none Encumbrances: none	
Register of public obligations:	None (updated via telephone information)	
Register of contaminated sites:	None (no changes assumed)	
Preservation order:	The building is not listed as an ancient monument.	
Status of taxes and contributions:	The plot is currently free of encumbrances through taxes and contributions (no changes assumed).	
Other not registered agreements:	None available	
Building permission:	The planning permission is not included in the available documentation. The material legality of the existing building development is assumed.	

2.4 Valuation comments

Valuation model:

The analysis is based on a discounted cash flow analysis of the property with a 10 year view and a resale of the property at the end of year 10 (calculation see appendix). In this valuation model we use an equivalent yield for discount and resale that implicitly accounts for inflation and growth as well as the current property and the investment market including the particular characteristics of the property such as letting situation, location and building quality.

Comments on rent level:

Office

Market rents for office space in Lübeck:

- Simple/ standard locations 6.50 to 7.50 €/sq. m.
- Medium/ average locations 8.00 to 9.00 €/sq. m.
- Good location 9.00 to 10.00 €/sq. m.
- Prime rents new construction up to 12.50 €/sq. m.

Asking rents for office space in the surrounding:

- Radius 500m 6.70 to 7.50 €/sq. m.
- Radius 1km 6.70 to 13.00 €/sq. m.

The office rents in the property vary between 8.64 €/sq. m. and 11.50 €/sq. m., without parking.
The latest contract, concluded with ASI at 8.96 €/sq. m., shows the marketable office rent level in a medium location. Overall the office market has not really changed since the last valuation and is furthermore almost stagnating in medium locations.

Therefore we estimate that the rent levels are within the market range of comparable office space. Tenants not liable to VAT typically have to pay a rent which is above the market.

Retail

Market rents for retail space in Lübeck:

- Simple/ standard locations 6.00 to 15.00 €/sq. m.
- Medium/ B-locations 15.00 to 25.00 €/sq. m.
- Prime locations/ A-location 50.00 to 105.00 €/sq. m.

Asking rents for retail space in the surrounding:

- Radius 500m no offers
- Radius 1km 13.30 to 15.00 €/sq. m.

There is only one retail unit in the building: the bio supermarket Landwege. The rent level for the retail space is at 10.00 €/sq. m (recently increased by indexation) which is assessed as being still on market level. The organic food shop is sustainable in this location with a lot of high quality residential quarters and inhabitants with high incomes in the surrounding.

Storage:

The storage room in the basement of the retail unit is let at 7.17 €/sq. m., excluding the parking lot rent of approx. 6.85 €/sq. m. The current level is assessed as being on market level,

because the basement rent level is typically 50% to 70% of the usual ground floor rent and the area is well usable with the freight elevator.

Parking spaces:
The lots are all rented to the commercial tenants, whereby the rent is not separately declared. Rents for outside parking lots are estimated between 20.00 and 40.00 €/lot p.m. So we estimate a sustainable rent level of 30.00 €/lot.

Comments on the lease terms/ conditions:

For an overview of the commercial contracts please see appendix.

Additional information:

- All tenants pay all recoverable costs based on the law and are responsible for small repairs.
- In two contracts (Inlingua, Schultheiss) also the management costs can be apportioned to the tenants.
- In case the option is exercised the market rent has to be paid, but at least the rent which was paid last.
- The income from Photovoltaic is an average estimation based on last years' income

Tenant improvements:

To re-let a unit the landlord has to improve the unit to meet the requirements of a new tenant.

Tenant improvements of 100 €/sq. m. are calculated for all units depending on estimated tenant change.

Photovoltaic power system (PPS):

On the roof of the building a photovoltaic power system is installed.
According to a letter from the utility company (Stadtwerke Lübeck) a fee of 49.21 ct/kWh is paid to the owner for supplying electricity to public network for a term of 20 years (subsidization by German law, based on the EEG "Erneuerbare Energien Gesetz"). Considering the information from the owner an income of approx. 7,000 to 10,000 €/year was generated in the last three years. With regard to the common insurance and maintenance costs and the typical process of degradation an amount of 8,000 € is used as sustainable income.
Theoretically the system is not an essential part of the building, but in the market it is usually considered as a part of the property. According to the instruction we included the cash flow in the DCF calculation as well as additional information about the value of this system.
The system was installed in 12/2007 so the remaining time for the legal subsidization of the plant is 10 years. The photovoltaic system can also be used beyond this time, but the function as well as the income is very uncertain.
Therefore only the cash flow for the next 10 years will be included in the calculation.

Deferred maintenance/Capital expenditures:

Deferred maintenance:
Smaller defects are covered by running maintenance

Saleability:

It is a modern building in a sustainable location with a good

competitive position in the Lübeck market.
A disadvantage is the small volume below €5m, which is currently less demanded by the office investors.
Overall we estimate an only medium saleability, which would be better if it's a part of the entire Prime Office portfolio.

Lettability:

The fitting quality complies with the modern building appearance.
But the office market in Lübeck is in hard competition. We estimate a medium lettability.

Alternative use:

None - existing use is sustainable

Capitalisation rate (resale):

The chosen capitalisation rate is used to calculate the supposable resale value of the property in 10 years.
Based on a market situation comparable to today and in consideration of the basic advantages and disadvantages of the property a cap rate of **6.50%** was chosen.

Discount rate:

The yield is used to calculate the present value of the cash flows over a 10 year term. The used valuation model is based on an equivalent yield that implicitly accounts for inflation and growth.
Based on the expected investment risk and the current market situation we assess a discount rate of **3.75%.**
This yield leads to a gross multiplier of 14.7 (including the income from the solar panels), which is within the upper range of the market.
The advantages of the property are the good location for office use, the good condition of the building and the high quality tenants with predominantly medium lease terms. Due to the estimated good chance of prolongation the risk of a slightly decreasing rent level in the future is only low.

Market trends:

LOCATION	GROSS YIELD	TREND
very good	5.5 - 6.0	→
good	6.0 - 6.5	→
average	6.5 - 7.5	→
simple	8.0 - 10.0	→

Purchasers cost:

An asset deal is assumed. Cost for broker, legal and transfer tax have to be deducted from the capital value.

Legal	1.00%
Tax	6.50%
Broker Fee	3.50%
Total	11.00%

Market value per sq. m.

1,850 €/sq. m.

Comments on the sales price:

n/a

2.5 Market value and conclusion

Based on our calculations and in accordance with Red Book we estimate the market value of the property Heiligen Geist Kamp 4a in D-23568 Lübeck on the date 27/11/2017at

3,950,000.00 €
in words: three million nine hundred fifty thousand Euros

Conclusion:

The property is an office and retail building with outside parking lots. It is a young modern building in a sustainable B-location with a good competitive position and a sustainable cash flow expectation.
Therefore we estimate an average eligibility for collateral in the long term. Due to the very positive market trend and further good demand for sustainable office buildings in German B-cities we estimate a good eligibility for collateral in the short term.

Hamburg, 01/12/17

Steffen Schroeder
Immobiliensachverständiger

No conflict of interest
We confirm that we have no conflict of interest, either with the Borrower or with the properties in question. We also confirm that the valuer does not benefit (other than from receipt of the valuation fee) from this valuation instruction.

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The Client assures that all valuations, reports, plans, drafts, renderings, tables and calculations will only be used for those purposes specified in the contract and will not be published without the prior consent of the valuer in each individual case. The Client will only pass on the results of Advisor's work to third parties, even if directly connected with the Client, with the explicit prior written consent of the Advisor.

Indemnity insurance
The valuer assures that the amount of their professional indemnity insurance is limited to €2.5 million on a per case basis.

3 Appendix

Appendix 1	Comparables
Appendix 2	Conditions of the rental contracts
Appendix 3	DCF Calculation Layout plan
Appendix 4	SWOT Analysis
Appendix 5	Macro - micro location analysis
Appendix 6	Market situation
Appendix 7	Cadastral map
Appendix 8	Copy of land register
Appendix 9	Statement of the Environmental Agency
Appendix 10	Register of public obligations
Appendix 11	Preservation order
Appendix 12	Status of taxes and contributions
Appendix 13	Photo documentation
Appendix 14	Layout plan

Comparables Appendix 1

Sales comparables

#	year	type	location	YOC	usable area	purchase price	multiplier	price €/m²
1	2015	office/ commercial	St. Jürgen	1990/2015	1,409	2,849,600 €	14.60	2,022
2	2015	office/ commercial	St. Lorenz-Nord	1955/1996	1,803	1,300 €	12.40	721
3	2016	office/ commercial	Travemünde	1960	975	3,550,000 €		3,641
4	2015	office/ commercial	St. Lorenz-Nord	1905	2,320	1,865,000 €	10.80	801
5	2016	office/ commercial	St. Lorenz-Nord	2003	25,003	54,500,000 €		2,043
6	2015	office/ commercial	Kücknitz	1971/2009	3,208	5,756,000 €	13.10	1,794
7	2017	shopping center	Dänischburg	2014	60,000	102,000,000 €		1,700

Now new transaction in last year

Asking office rents in neighbourhood

Distance km	sq. m.	rent	€/sq. m.	Notes
0.3	115	1,150.00	10.00	medium quality
0.35	100	1,250.00	12.50	old villa, good quality
1	399	4,788.00	12.00	new construction harbour
1.5	159	1,429.00	8.99	city centre, simple quality
1.7	70	554.00	7.91	simple quality

Asking retail rents in neighbourhood

Distance km	sq. m.	rent	€/sq. m.	Notes
1.49	900	3,600.00	4.00	city centre, B-location
1.5	45	880.00	19.56	city centre
1.6	94	1,786.00	19.00	city centre
2	99	1,250.00	12.63	city center
2.2	150	800.00	5.33	St Lorenz

Conditions of the rental contracts — Appendix 2

	#	Tenant	use	kind	units	Interest betw. tenant/ owner	Start of contract	End of contract	Prolongation / option	Space sq. m.	current €/sqm	current income month	Rent adjustment	Remarks
commercial	1	EVG Landwege	retail	Bio Supermarket	1	no	15.02.08	14.02.23		388.00	10.01	3,882.01	10 points CPI change/ 100% adjust.	prolongated
		EVG Landwege	storage		1	no	15.02.08	14.02.23		170.00	6.85	1,163.77	"	
	2	Itzehoer Vers. VVaG	office	Insurance	1	no	15.10.09	15.10.19	1 x 3 years	220.50	11.16	2,459.85	10 points CPI change/ 100% adjust.	no VAT
	3	Sobhi Mahdi	med. pract.	pediatrician	1	no	16.03.09	15.03.19	2 x 5 years	249.25	10.52	2,621.75	10 points CPI change/ 100% adjust.	no VAT
	4	inlingua, Astrid Bednarski	office	language school	1	no	31.01.08	31.12.18	1 x 5 years	319.00	11.50	3,668.59	10 points CPI change/ 100% adjust.	no VAT
	5	Schultheiss	office	real estate broker	1	no	04.02.08	03.02.23	1 x 5 years	100.00	9.88	988.11	10 points CPI change/ 100% adjust.	
	6	QDA Solution GmbH	office	company service provider	2	no	01.01.14	28.02.22	2 x 5 years	689.00	8.64	5,950.00	10 points CPI change/ 100% adjust.	
other	1	Photovoltaic PP	other		1		18.12.07	31.12.27			666.00	666.00		estimated income
	2										0.00			
	3										0.00			
parking		outside occupied	parking out		33		01.01.08				30.00	990.00		
		outside vacant	parking out								0.00			
		inside occupied	parking in								0.00			
		inside vacant	parking in								0.00			
Total					42					2,135.75		22,390.08	WALT	3.4

DCF Calculation — Appendix 3

Gross Rental Income

Use	tenant	No. units	space sqm	current rent €/sqm	sustain. rent €/sqm	Lease-up period in months	Rent adjust-ment in years	year 1	year 2	year 3	year 4	year 5	year 6	year 7	year 8	year 9	year 10	resale
commercial	retail (EVG Landwege)	1	388.00	10.01	10.00			46,584	46,584	46,584	46,584	46,584	43,655	46,560	46,560	46,560	46,560	46,560
	storage (EVG Landwege)	1	170.00	6.85	6.50			13,965	13,965	13,965	13,965	13,965	12,586	13,260	13,260	13,260	13,260	13,260
	office (Itzehoer Vers. VVaG)	1	220.50	11.16	10.50			29,518	28,496	26,865	27,783	27,783	27,783	27,783	27,783	27,783	27,783	27,783
	med. pract. (Sobhi Mahdi)	1	249.25	10.52	10.50			31,461	29,459	31,406	31,406	31,406	31,406	31,406	31,406	31,406	31,406	31,406
	office (inlingua, Astrid Bednarski)	1	319.00	11.50	10.50			44,023	35,526	40,194	40,194	40,194	40,194	40,194	40,194	40,194	40,194	40,194
	office (Schultheiss)	1	100.00	9.88	10.00			11,857	11,857	11,857	11,857	11,857	11,223	12,000	12,000	12,000	12,000	12,000
	office (QDA Solution GmbH)	2	689.00	8.64	9.00			71,400	71,400	71,400	71,400	64,335	74,412	74,412	74,412	74,412	74,412	74,412
other	other (Photovoltaic PP)	1	1.00	666.00	350.00			7,992	7,992	7,992	7,992	7,992	7,992	7,992	7,992	7,992	7,992	4,200
parking	parking out (outside occupied)	33		30.00	30.00			11,880	11,880	11,880	11,880	11,880	11,880	11,880	11,880	11,880	11,880	11,880
	parking out (outside vacant)																	
	parking in (inside occupied)																	
	parking in (inside vacant)																	
Total		42	2,136.75					**268,681**	**257,160**	**262,143**	**263,061**	**255,996**	**261,131**	**265,487**	**265,487**	**265,487**	**265,487**	**261,695**
Non Recoverable Cost																		
management				**3.00%**				-8,060	-7,715	-7,864	-7,892	-7,680	-7,834	-7,965	-7,965	-7,965	-7,965	-7,851
running maintenance				**7.50 €/sqm**				-16,026	-16,026	-16,026	-16,026	-16,026	-16,026	-16,026	-16,026	-16,026	-16,026	-16,018
cost of tenant fluctuation (vacancy)																		
other NRC																		
Total of non recs				**8.96%**				-24,086	-23,740	-23,890	-23,917	-23,706	-23,860	-23,990	-23,990	-23,990	-23,990	-23,869
Net Rental Income								**244,595**	**233,419**	**238,253**	**239,144**	**232,290**	**237,271**	**241,496**	**241,496**	**241,496**	**241,496**	**237,826**
Capital Expenditures																		
deferred maintenance																		
capex																		
tenant improvements/ modernisation									-22,181	-5,513		-34,450	-16,450					
Property resale	**Cap Rate**			**6.50 %**													**3,658,854**	**3,658,854**
Net Cash Flow								**244,595**	**211,238**	**232,741**	**239,144**	**197,840**	**220,821**	**241,496**	**241,496**	**241,496**	**3,900,351**	
Discount	**Rate**			**3.75 %**				**235,754**	**196,244**	**208,405**	**206,399**	**164,579**	**177,057**	**186,635**	**179,889**	**173,387**	**2,699,123**	

Net Present Value		4,427,472 €					
Tansaction cost	11.00%	-487,022 €	For Information				
Value		3,940,450 €		Multiplier on current rent	14.70	Price per sqm	1,849
Market Value (rounded)		**3,950,000 €**		Multiplier on sustainable rent	15.09	Resale multiplier	13.91
Value includes photovoltaics approx.		*60,000 €*					

SWOT analysis Appendix 4

Strengths:	■ Sustainable B-location with good accessibility and visibility from the street ■ Sustainable cash flow expectation due to a marketable rent level ■ Young modern building with representative architecture and a good competitive position ■ Interesting fitting quality with a popular loft style ■ Sustainable tenant structure for the location with a high chance of contract prolongations ■ The supermarket has prolonged the contract and the WALT has increased
Weaknesses:	■ B-Location for office, inner city border ■ Unfavourable volume for an office building of below €5m ■ Short running leases
Opportunities:	■ Photovoltaic on the roof generates a long term income ■ The tenants will prolongate the lease contracts due to the established location ■ Growing service sector leads to higher demand for office space in the city and also in secondary office locations of Lübeck ■ High chance of contract prolongations
Threats	■ Stagnating office rent level over the last years ■ Property volume is not suitable for institutional investors, therefore the demand is restricted

Macro location analysis on city level — Appendix 5

Macro location map:

City: Lübeck

Socio-demographic facts:

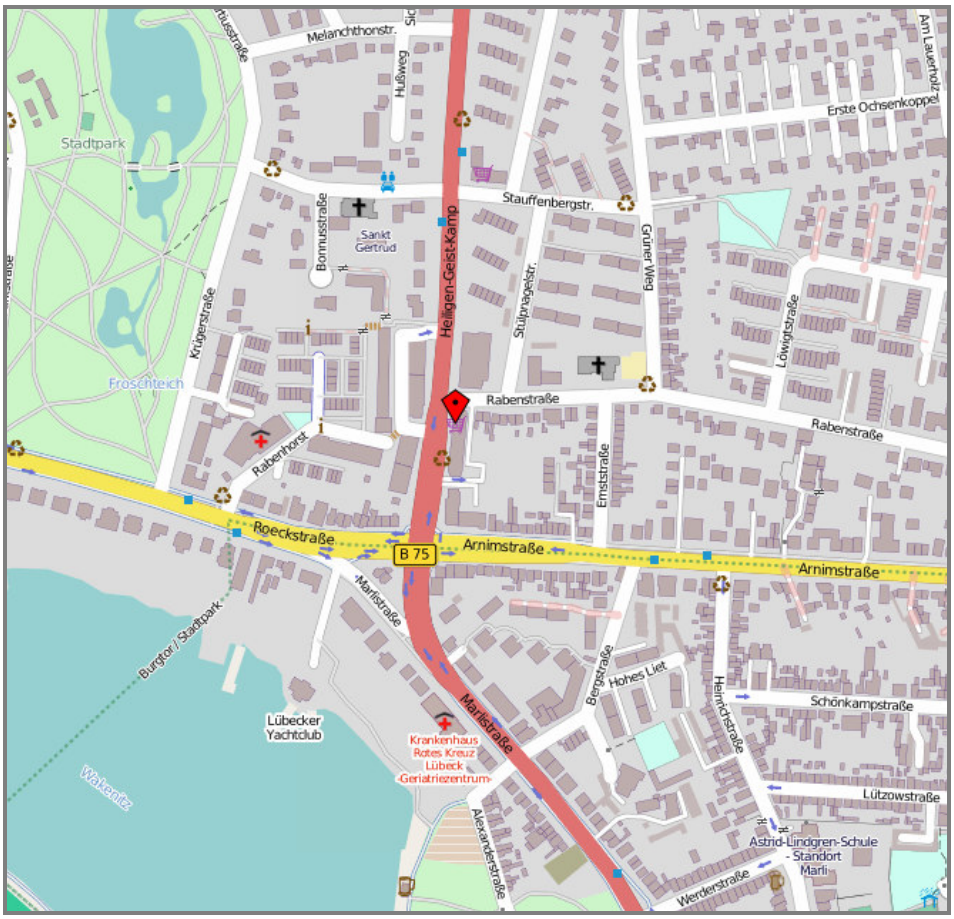
Inhabitants:	Approx. 216,253 (0.9% increase last year)
Unemployment rate:	city 6.6%/ Germany 5.4%
Purchase power:	91.9 (average = 100)

Key facts: Lübeck is situated in the south-east of the federal state of Schleswig-Holstein and is the second largest city in the federal state. The city has a long history as a trading city. Only 65km north-east of Hamburg, Lübeck domiciles the third biggest German universal harbour. Lübeck has the lowest German transit times to Sweden, Finland, Russia and the Baltic states. The university city has a high touristic attractiveness and a good living quality.

Economic trends: With the biggest ferry port in Europe Lübeck is established as a trade and traffic hub in the north of Germany predominantly focused on Baltic sea connections.
The city has a mixed economic structure with some specializations in medical technology (Drägerwerk), food production (Niederegger marzipan, Campbell's Germany, Erasco) and facility management (Bockholdt, approx. 4,300 employees). Touristic business is also an important economic sector.
The index of the economic climate of Schleswig-Holstein has definitely increased and is currently at 124.2 (110 last year). The local economy is in a very positive mood.

Micro-location analysis on vicinity level — Appendix 6

Micro-location map:



Surroundings:

The district St. Gertrud is located directly north of the city centre. It is known as a very good residential location with a lot of multi-family and detached houses as well as additional mixed use buildings from the last 100 years. Many lawyers and medical practices have settled in the district. Especially the locations around the public park "Stadtpark" are one of the best residential locations of the city with high income class residents.
The positive aspects of the location are the good reachability and the short distance to the city centre as well as the mostly calm and green surrounding. Along Heiligen-Geist-Kamp the neighbourhood is characterized by office buildings with 3 to 4 storeys that partly have retail use (e. g. Aldi discounter, pharmacy) on ground level. North of the property a car dealer is located. Adjoining the eastern border is mostly residential use with row houses.

Distance:

Public transport:	Bus station in front of the building
Motorway:	A1 AS Lübeck-Zentrum in 3km
Railway:	Lübeck central station in 3.5km
Airport:	Lübeck-Blankensee regional airport about 9km Hamburg-Fuhlsbüttel in about 1 hour by car
City centre:	2km

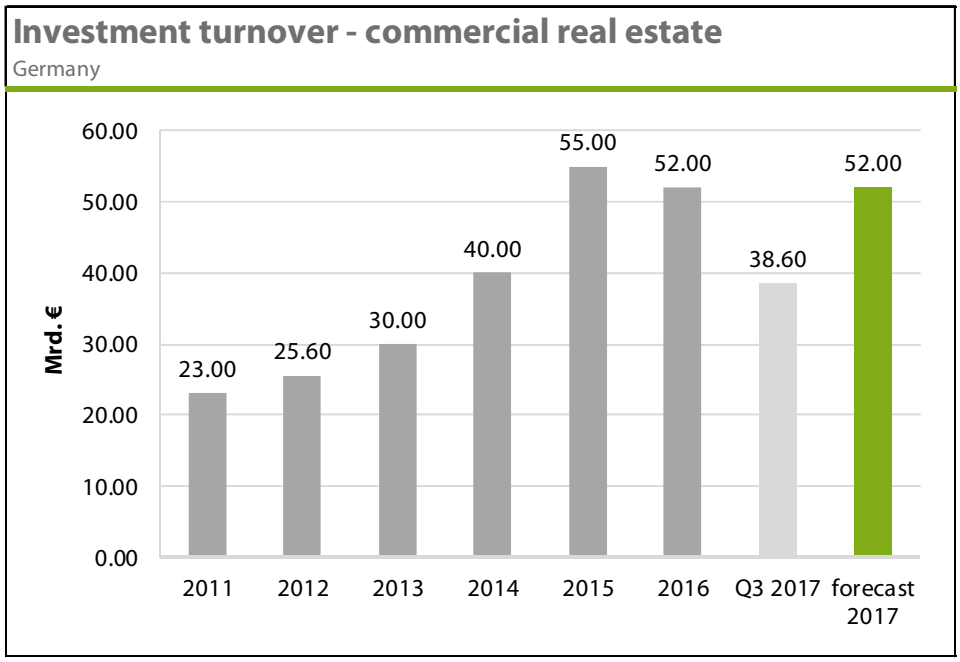
Assessment of the location quality:

Medium quality for office – near the centre and other office buildings around, but not a typical office location.
Simple to medium for the retail – solitary location but sustainable for local supply due to the good accessibility and visibility

Market situation Appendix 7

German investment market:

The German real estate investment market is further prospering. After the 3rd quarter of 2017 the turnover is approx. 19% above last year's result. The dynamic is only restricted by the lack of supply of suitable properties.
Basically the German real estate investment market is unimpressed by the political problems all over the world and benefits from the basically strong and stable economy. The country is still the sought after safe haven for international real estate investment capital, almost 50% of the turnover came from foreign investors.
The market is prospering over all sections and is driven by the further very low interest rates and the lack of alternative investment possibilities on the financial market. After a short irritation about the economic influence of the Brexit the market is now back in a usual business mode.
The majority of investors are expecting further low interest rates for the next two years before the EZB is likely to increase the rates. For 2017 the market participants are expecting a turnover of €50 to 55bn.

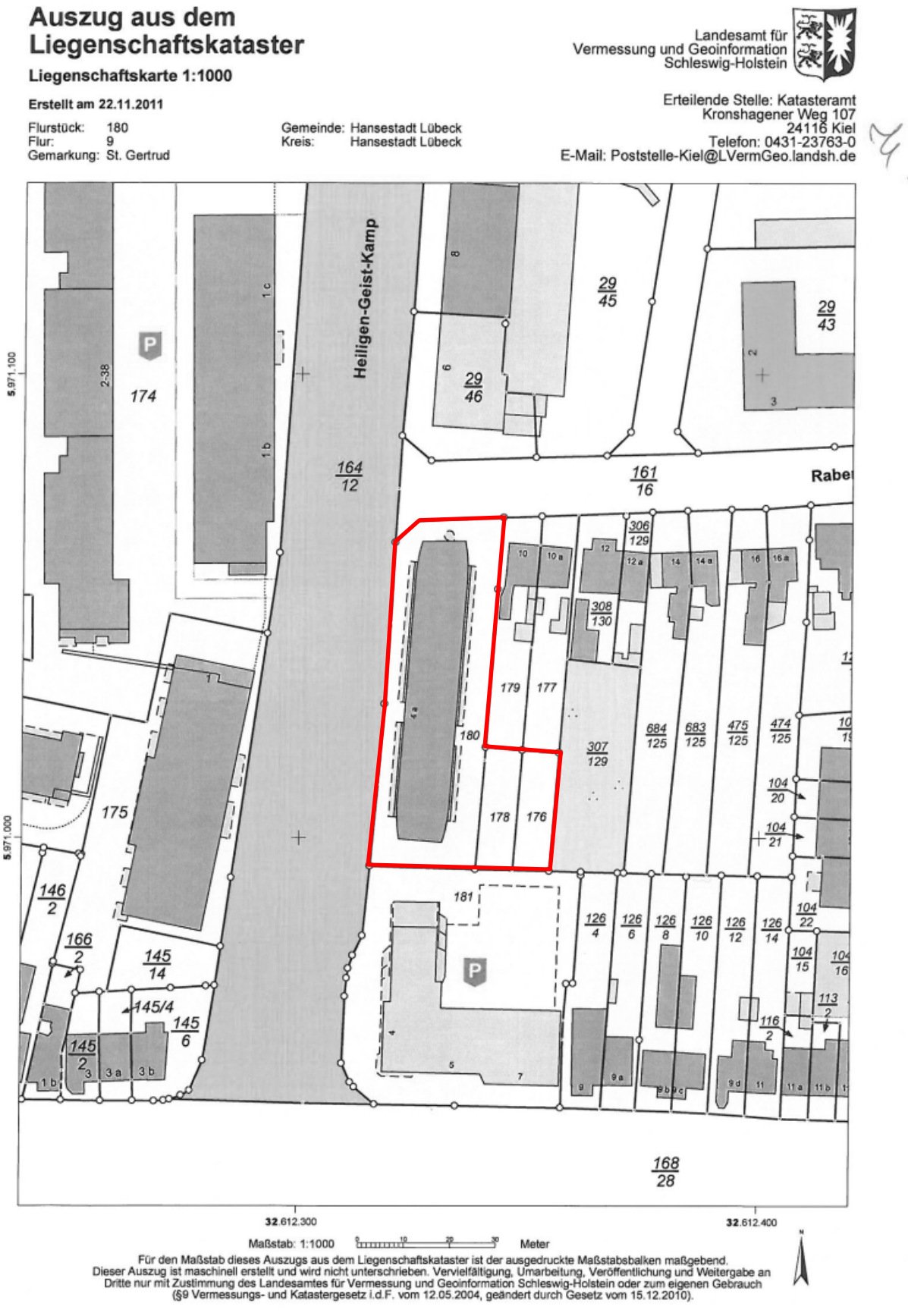


Main market trends:

- The most popular investment class is still the core segment, office properties (40% of the turnover) and retail properties (25% of the turnover)
- A further slight yield compression is recorded – the yields of all risk classes gradually converge
- Due to a historically low yield level more investors follow the investment strategy ABBA – investing in A-locations of B-cities and B-locations of A-cities
- "big is beautiful", the demand increases in line with the volume of a transaction. Portfolio transactions have further increased
- Major players on the market are still institutional investors (>50% of turnover)
- The prime yields have again slightly declined and are now on a historically low level of 3.7% for office and 3.6% for retail in prime locations
- Berlin is the investment capital, responsible for €5.9bn.

Lübeck Investment market:	Prime gross yield office property:	6.5% (no change to last year)
	Prime gross yield retail property:	5.5%

Cadastral map Appendix 8



Copy of Land Register Appendix 9

Amtsgericht Lübeck

Grundbuch

von

Lübeck

Blatt 6219

Dieses Blatt ist zur Fortführung auf EDV neu gefasst worden und dabei an die Stelle des bisherigen Blattes getreten. In dem Blatt enthaltene Rötungen sind unter Umständen schwarz sichtbar.
Freigegeben am 24.10.2006.

Heyn

Datum des Abrufs: 21.11.2011 13:37:26
Letzte Eintragung vom: 12.09.2008

Seite 1 von 12

Amtsgericht Lübeck — Grundbuch von Lübeck — Blatt 6219 — Bestandsverzeichnis — Einlegebogen 1

Laufende Nummer der Grundstücke	Bisherige laufende Nummer der Grundstücke	Bezeichnung der Grundstücke und der mit dem Eigentum verbundenen Rechte: Gemarkung (Vermessungsbezirk)	Karte: Flur	Karte: Flurstück	Wirtschaftsart und Lage	Größe: ha	Größe: a	Größe: m²
1	2	a	b		e	4		
1		St. Gertrud	009	137/12	Verkehrsfläche, Heiligen-Geist-Kamp 4 a		17	02
2	1	St. Gertrud	009	180	Gebäude- und Freifläche, Heiligen-Geist-Kamp 4 a		17	02
3		St. Gertrud	009	178	Gebäude- und Freifläche, Heiligen-Geist-Kamp 4 a		2	12
4		St. Gertrud	009	176	Gebäude- und Freifläche, Heiligen-Geist-Kamp 4 a		2	08

21.11.2011 13:37:26 Seite 3 von 12

Einlegebogen

Amtsgericht Lübeck Grundbuch von Lübeck Blatt 6219 Erste Abteilung 1

Laufende Nummer der Eintragungen	Eigentümer / Eigentümerin	Laufende Nummer der Grundstücke im Bestandsverzeichnis	Grundlage der Eintragung
1	2	3	4
1	Hansestadt Lübeck	1	Nr. 1 bei Neufassung der Abteilung ohne Eigentumswechsel eingetragen am 24.10.2006. Heyn
2	office-kamp Immobiliengesellschaft mbH, Lübeck	1	Auflassung vom 20.04.2007; eingetragen am 21.09.2007. Borchert
		3, 4	Antrag vom 06.07.2007; eingetragen am 18.10.2007. Sieburg

21.11.2011 13:37:26 Seite 5 von 12

Einlegebogen

Amtsgericht Lübeck Grundbuch von Lübeck Blatt 6219 Zweite Abteilung 1

Laufende Nummer der Eintragungen	Laufende Nummer der betroffenen Grundstücke im Bestandsverzeichnis	Lasten und Beschränkungen
1	2	3
1	1	Befristete Rückauflassungsvormerkung für Hansestadt Lübeck; gemäß Bewilligung vom 20.04.2007 und 27.08.2007 (Notar Holger Lankau, Lübeck, UR-Nr. 187/2007 und 449/2007); vorbehalten bleibt der Vorrang für noch einzutragende Grundpfandrechte in Höhe von bis zu 3.480.000,00 Euro nebst bis zu 20% Zinsen ab dem Tage der Bestellung des jeweiligen Rechtes und einmaliger Nebenleistung von 10%; eingetragen am 21.09.2007. Borchert

21.11.2011 13:37:26 Seite 7 von 12

Statement of the Environmental Agency Appendix 9

16-MÄR.'07(DO) 09:08 BEREICH 2.280 FAX:+49 451 1222390 S.003

3 - Umwelt, Sicherheit und Ordnung
3.392 - Umweltschutz

Zeichen: Thi

Lübeck, den 13.03.2007
Auskunft: Dieter Thielmann
Tel.: 39 38; Fax: 39 90
e-mail: Dieter.Thielmann@luebeck.de

An
280 Bereich Wirtschaft, Hafen und Liegenschaften
z. Hd. Herrn Hoppe

Fischstraße 1-3

23539 Lübeck

Fachbereich 2
Eing.: 15. März 2007
Wirtschaft, Hafen und Liegenschaften

15.3.

23 16/3.07

Grundstück in Lübeck, Heiligen-Geist-Kamp 4a; - Altlasten -

Sehr geehrter Herr Hoppe,

im Nachgang zu unserem Schreiben vom 09.03.2007 teilt der Bereich Umweltschutz der Hansestadt Lübeck als untere Bodenschutzbehörde/Untere Wasserbehörde mit, dass, nach derzeitigem Kenntnisstand, für das o. g. Grundstück hier keine Hinweise vorliegen, die eine Einstufung als Altlastenverdachtsfläche(Altablagerung und/oder Kontaminierten Altstandort) zulässt.

Mit freundlichen Grüßen
Im Auftrag

Dieter Thielmann

Register of public obligations Appendix 10

Hansestadt LÜBECK

Hansestadt Lübeck - Bereich 5.631 -23539 Lübeck

Der Bürgermeister

von Borries Advisory-Partners
GmbH & Co KG
Baumwall 7
20459 Hamburg

Bereich:	Bauordnung
Gebäude:	Mühlendamm 22
Auskunft:	Frau Persson
Zimmer	013
Telefon: (0451)	122 6302
Telefax: (0451)	122 6306
eMail	maren.persson@luebeck.de
Ihr Zeichen:	**Frau Schlicht**
Ihre Nachricht vom:	18.11.11
Mein Zeichen:	2354/2011
Datum:	21.11.11

Auskunft aus dem Baulastenverzeichnis

Bauort: Heiligen-Geist-Kamp 4a
Sehr geehrte Damen und Herren,

gem. Ihrer Anfrage bestätigen wir Ihnen, dass für o.g. Grundstück zum heutigen Zeitpunkt keine Eintragungen im Baulastenverzeichnis vorhanden sind.
Diese Auskunft ist gebührenpflichtig. Die zu zahlenden Gebühren entnehmen Sie bitte dem anliegenden Kostenbescheid.

Rechtsgrundlagen:
Landesverordnung über Verwaltungsgebühren in Angelegenheiten der Bauaufsicht (Baugebührenverordnung - BauGebVO -) GS Schl.-H. II, Gl.Nr. 2013-2-47 vom 1. April 2009 (GVOBl. Schl.-H. S. 178) geändert durch Verordnung vom 6. Dezember 2009 (GVOBl. Schl.-H S. 886) i. V. m. der Ziffer 5.2 der Anlage 1 BauGebVO - Baugebührentarif nach Baugebührenverordnung -

Mit freundlichen Grüßen
Im Auftrag
Persson

Telefonzentrale: (0451) 122-0
Verkehrsmittel.
Unsere Sprechzeiten:
montags und dienstags 8.00 bis 14.00 Uhr
donnerstags 8.00 bis 16.00 Uhr
freitags 8.00 bis 12.00 Uhr
und nach Vereinbarung
Internet: www.luebeck.de

Konten der Stadtkasse:
Volksbank BLZ 230 901 42 Kto.-Nr. 5008336

Scheck: nur an Stadtkasse Lübeck, 23539 Lübeck

Bitte benutzen Sie öffentliche

Busanbindung:
Buslinie(n): 2; 4; 6; 7; 8; 9; 16; 19; 32
Haltestelle(n): Fegefeuer

Preservation order Appendix 11

Due to building age and appearance we assume that the building isnot listed as an ancient monument.

Status of taxes and contributions Appendix 12

Hansestadt LÜBECK

Der Bürgermeister

Fachbereich Planen und Bauen

Hansestadt Lübeck; Bereich 5.661; 23539 Lübeck

Von BorriesAdvisory-Partners GmbH & Co.KG
-Frau Schlicht-
Baumwall 7
20459 Hamburg

Bereich: Verkehr
Gebäude: Mühlendamm 20
Auskunft: Frau Kück
Zimmer: 1.04
Tel. (0451) 122-6033
Fax (0451) 122-6039
email: eva.kueck@luebeck.de
Ihr Zeichen:
Ihre Nachricht vom:
Mein Zeichen:
Datum: 23.11.11

Straßenanliegerbescheinigung

Grundstücksangaben :

Grundstück in Lübeck **Kohlmarkt 7-15** , 235 52 Lübeck, Gemarkung **Innere Stadt**
Flur **067** Flurstück **8/12**

Grundbuch von Lübeck, Blatt

Eigentümer / PO/Kohlmarkt GmbH

Widmung
Das Grundstück liegt an einer öffentlichen Straße.

Erschließung
Für das o. a. Grundstück fällt ein Erschließungsbeitrag nach dem Baugesetzbuch (BauGB) in der Fassung der Bekanntmachung vom 23.09.2004 (BGBl. I S.2414), zuletzt geändert durch Gesetz vom 31.07.2009 (BGBl. I S. 2585) für die erstmalige Herstellung der Erschließungsanlage **Kohlmarkt 7-15 nicht mehr an.**

Das Recht auf Erhebung von Beiträgen zu den Kosten für nachmalige Herstellung, Erweiterungen oder Verbesserungen von Erschließungsanlagen aufgrund landesrechtlicher Bestimmungen bleibt unberührt (§ 128 Abs. 2 Satz 1 Baugesetzbuch). Das Grundstück grenzt an die Schmiedestraße an. Die Schmiedestraße wurde erneuert. Hierfür fallen Straßenausbaubeiträge nach dem Kommunalen Abgabengesetz in Verbindung mit der Straßenausbaubeitragssatzung der Hansestadt Lübeck an.

Telefonzentrale: (0451) 122-0
Unsere Sprechzeiten:
montags und dienstags 8.00 bis 14.00 Uhr
donnerstags 8.00 bis 16.00 Uhr
freitags 8.00 bis 12.00 Uhr
und nach Vereinbarung
Internet: www.luebeck.de

Konten der Stadtkasse:

Deutsche Bank	BLZ 230 707 10	Kto.-Nr. 9 000 050
Landesbank	BLZ 230 500 00	Kto.-Nr. 7 052 000 475
LZB Lübeck	BLZ 230 000 00	Kto.-Nr. 23 001 700
Postbank Hbg.	BLZ 200 100 20	Kto.-Nr. 104 00-201
Sparkasse z. L.	BLZ 230 501 01	Kto.-Nr. 1 011 329

Scheck: nur an Stadtkasse Lübeck, 23539 Lübeck

Bitte benutzen Sie öffentliche Verkehrsmittel.

Busanbindung:
Buslinie(n): 2; 4; 6; 9; 16; 19; 24; 32
Haltestelle(n): Fegefeuer

Hinweis:
Diese Bescheinigung ist – soweit nicht ein unanfechtbar gewordener Bescheid vorliegt – unverbindlich und unter dem Vorbehalt ausgestellt, dass eine spätere Entscheidung im Veranlagungs- und Rechtsmittelverfahren hiervon abweichen kann.

Mit freundlichen Grüßen
Im Auftrag

Eva Kück

Photo documentation Appendix 13

Front view

Heiligen-Geist-Kamp

Heiligen-Geist-Kamp

Rear facade

Back yard

Entrance

Façade details

staircase

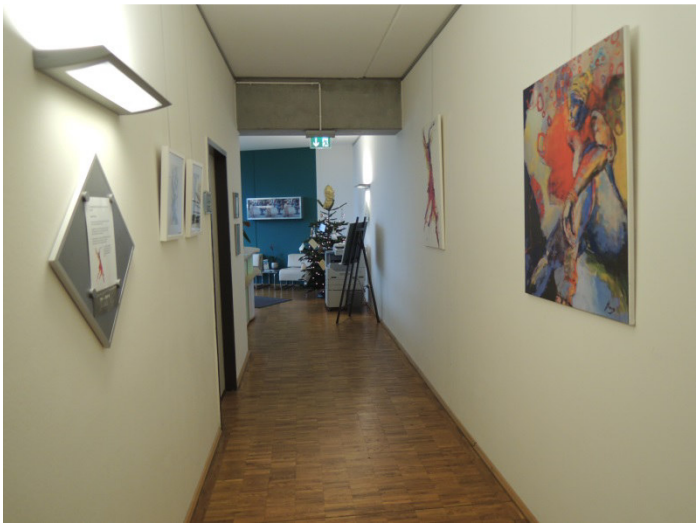
Office unit entrance

Retail/ office unit Itzehoer Insurance

Unite Itzehoer Insurance

Unite Itzehoer Insurance

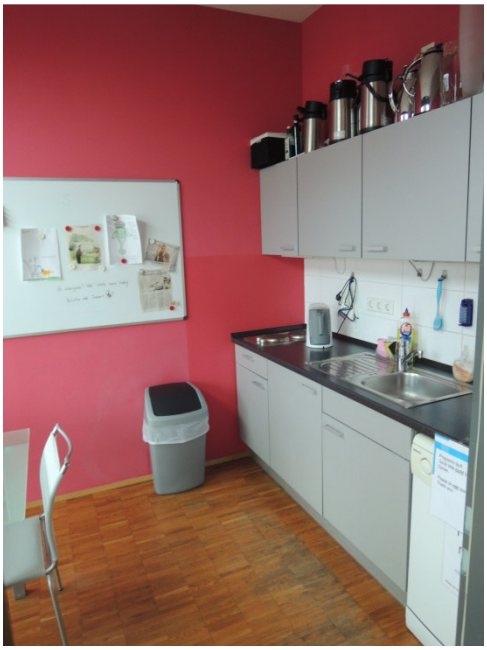
Office units



Office units

Office units

Office units



Office units

Office units

Office units

Office units

Office units

Office units

Office units

Office unit, defect parquet

Entrance retail unit Landwege

Retail unit Landwege

Retail unit Landwege

Retail unit Landwege, cellar

Retail unit Landwege, cellar

Retail unit Landwege, freight elevator

Retail unit Landwege, cellar

Detail cellar stairs

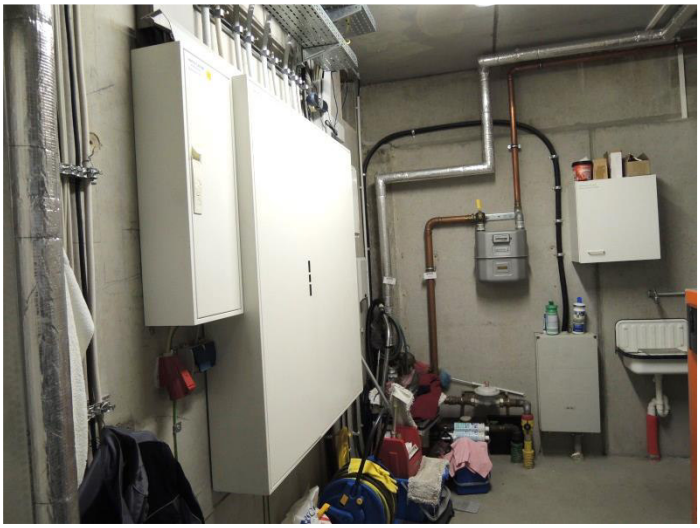
Retail unit Landwege, storage cellar

Retail unit Landwege, social rroms

Retail unit Landwege, cellar

Ground floor, heating system

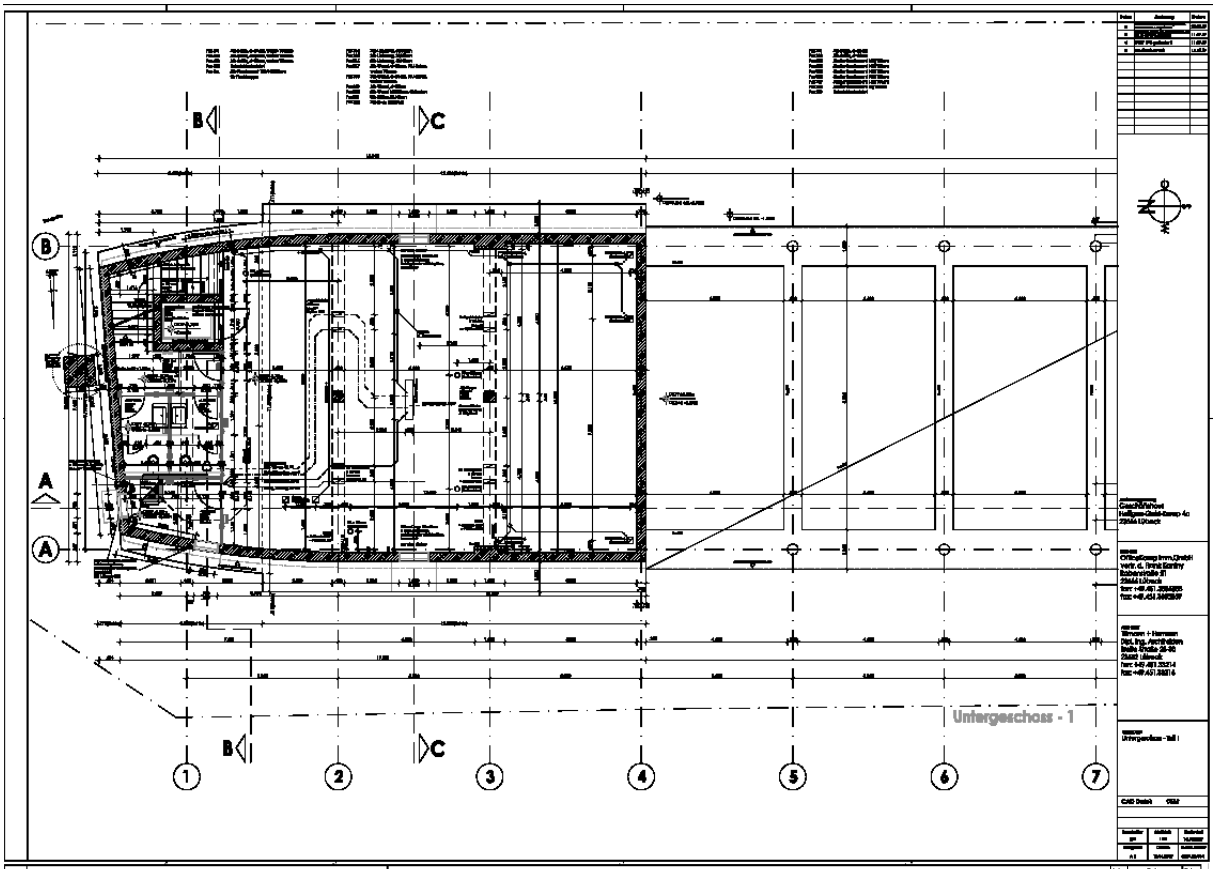
Ground floor, electric installations

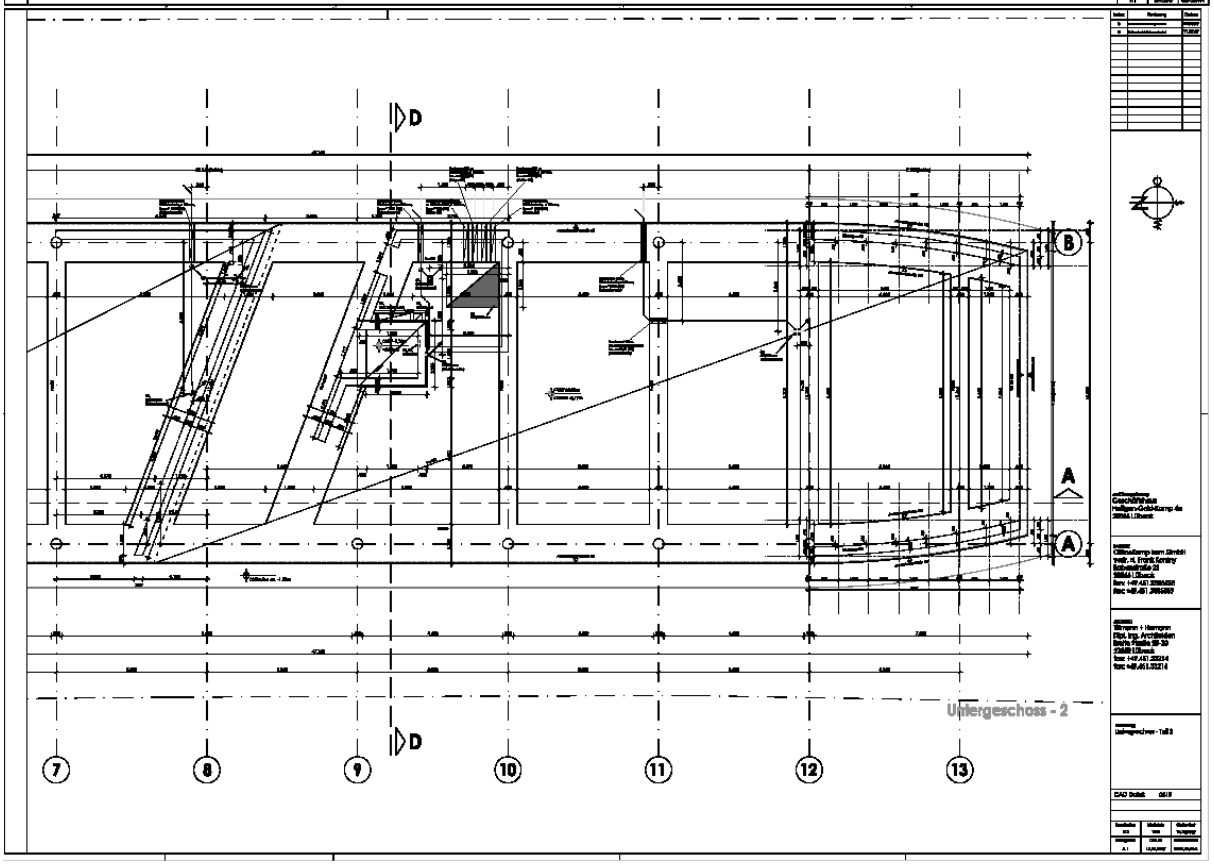


inverters for solar power systems

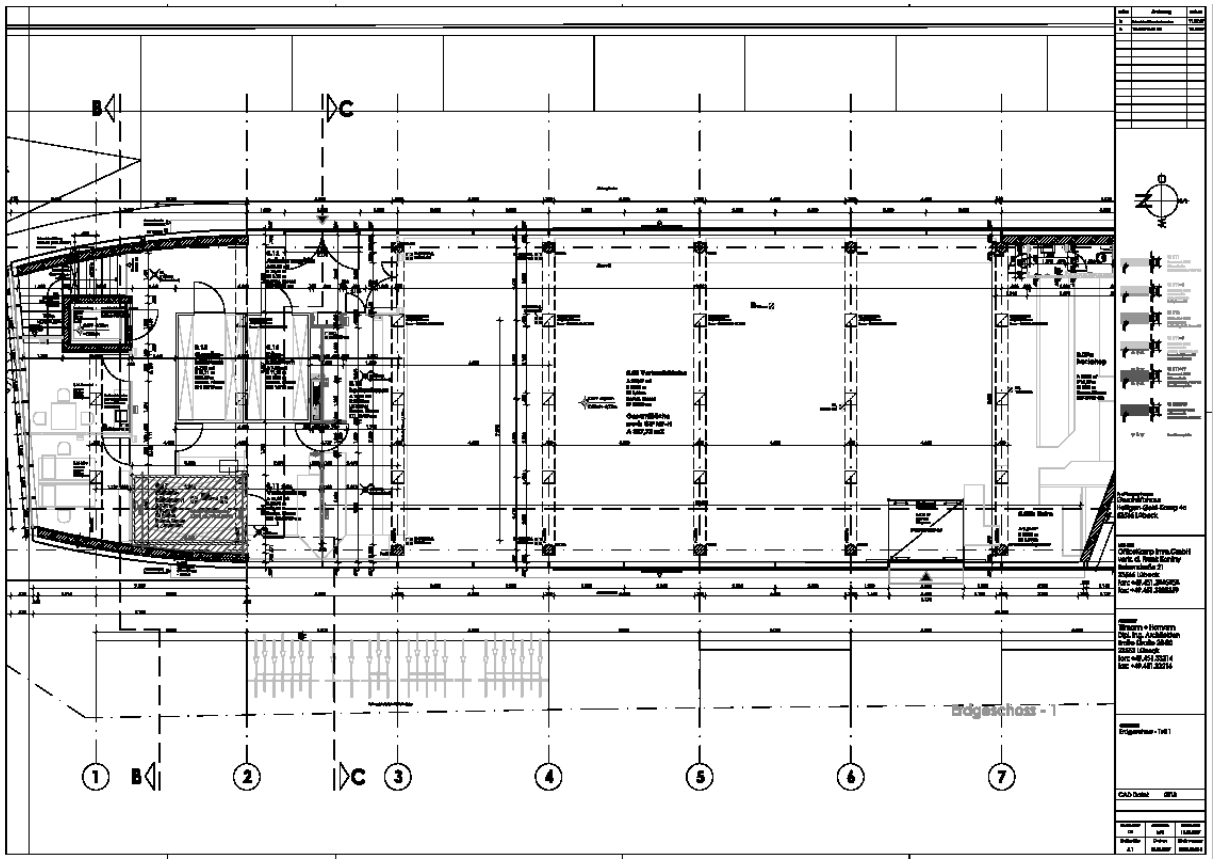
Layout plans Appendix 10

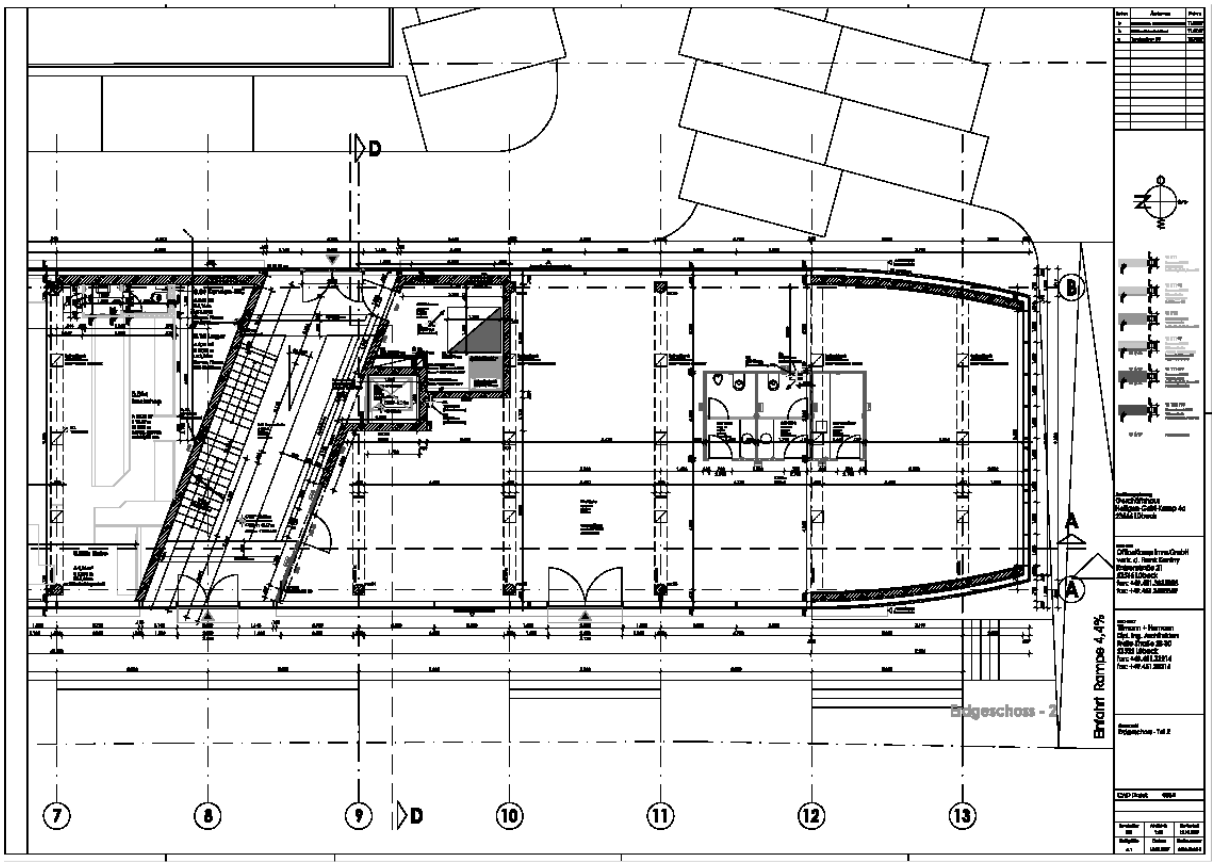
Basement



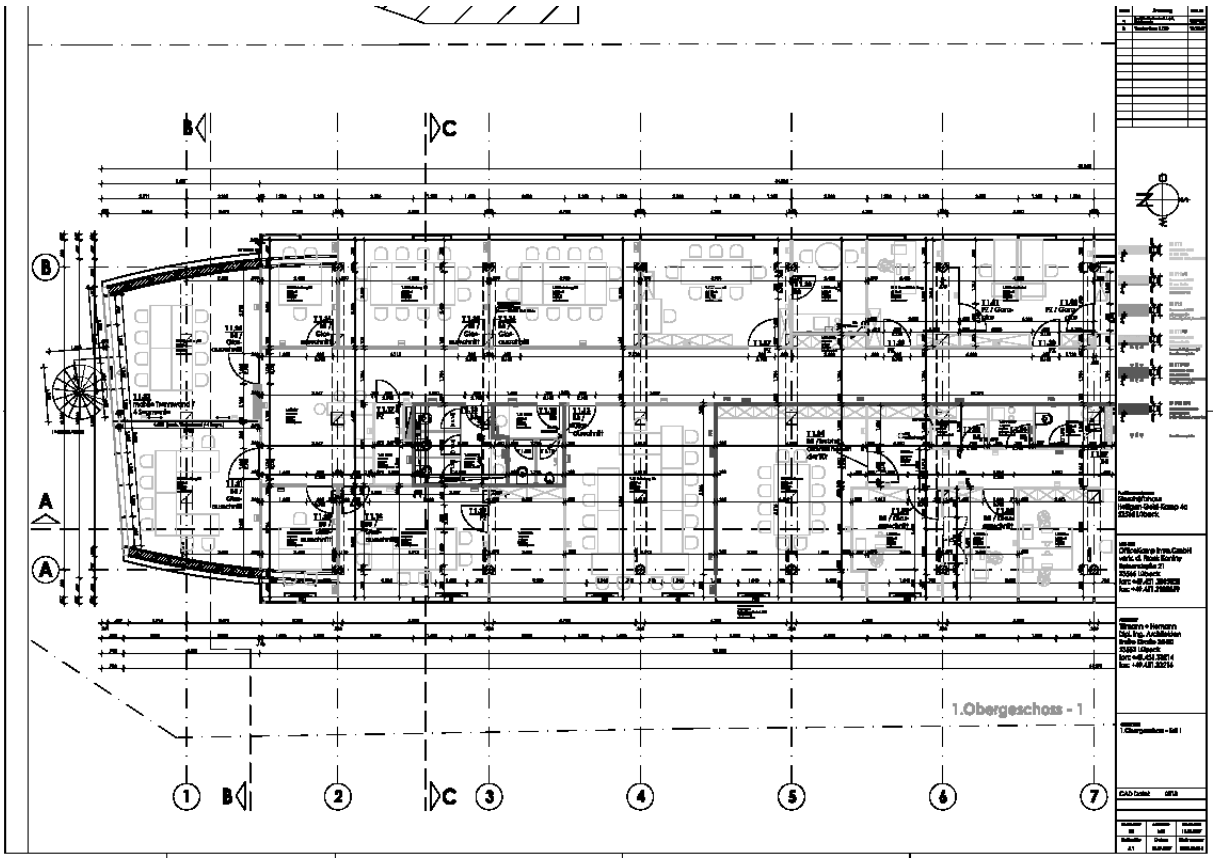


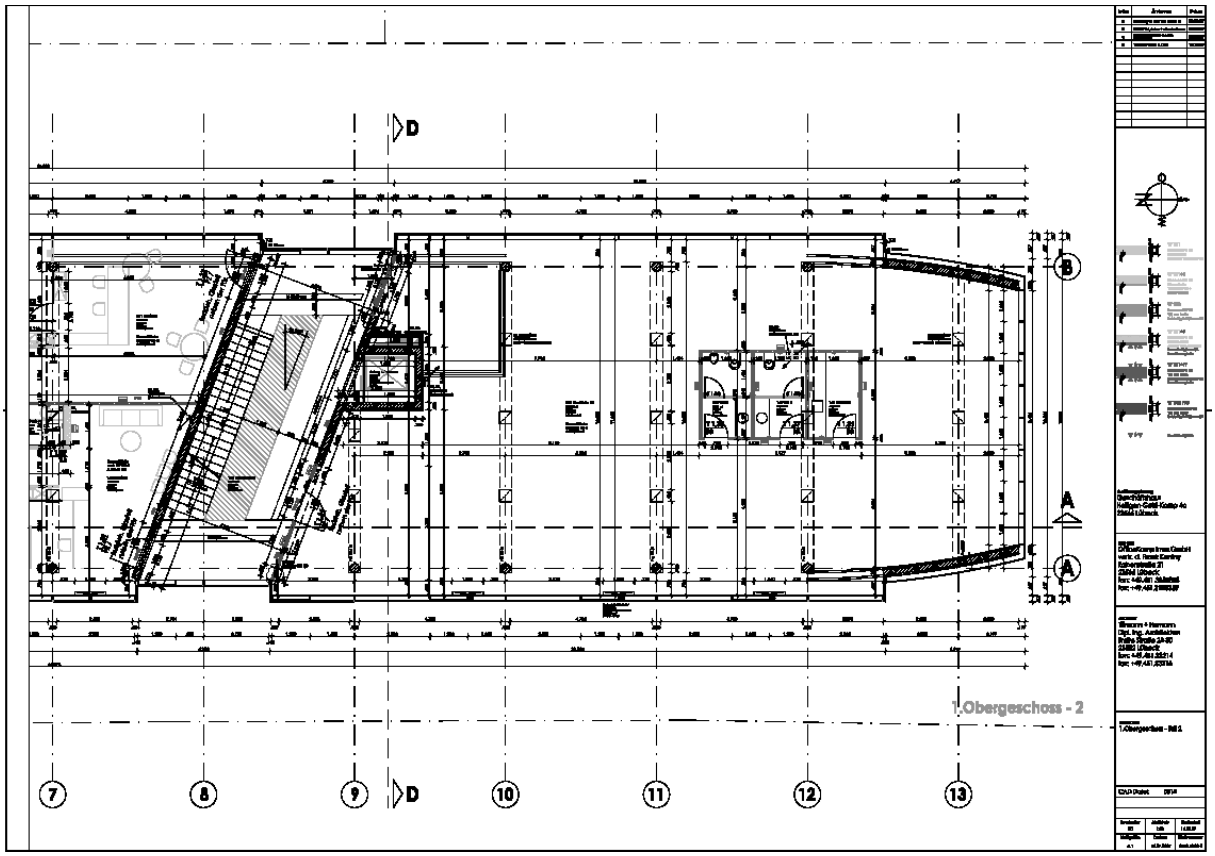
Ground floor



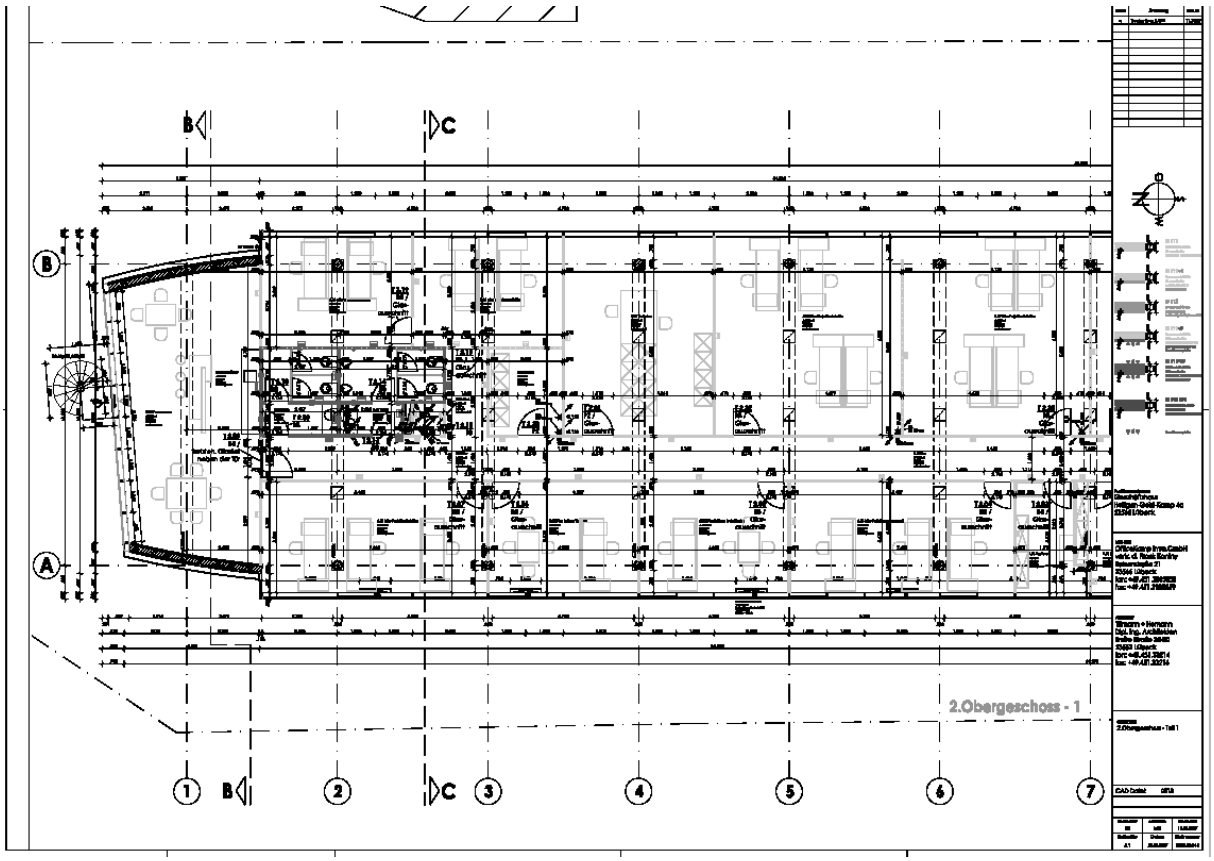


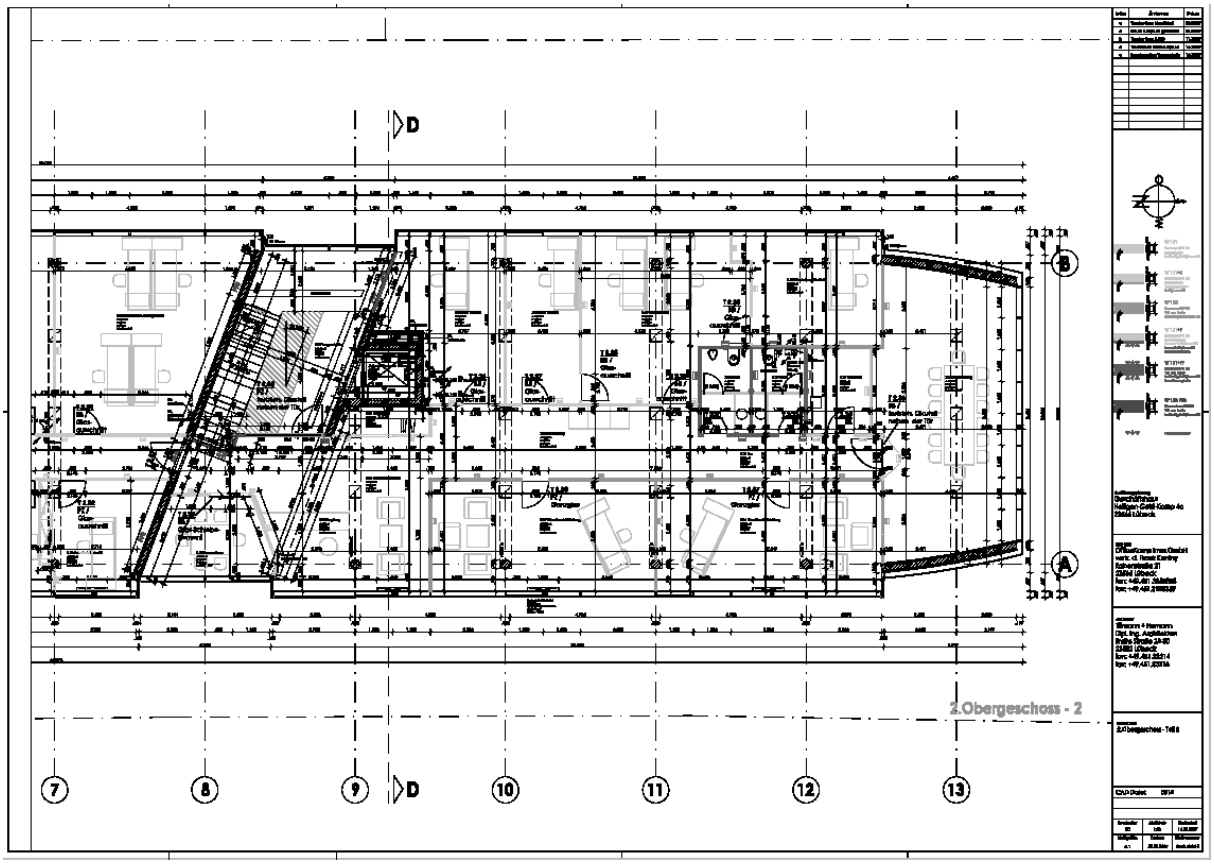
First floor



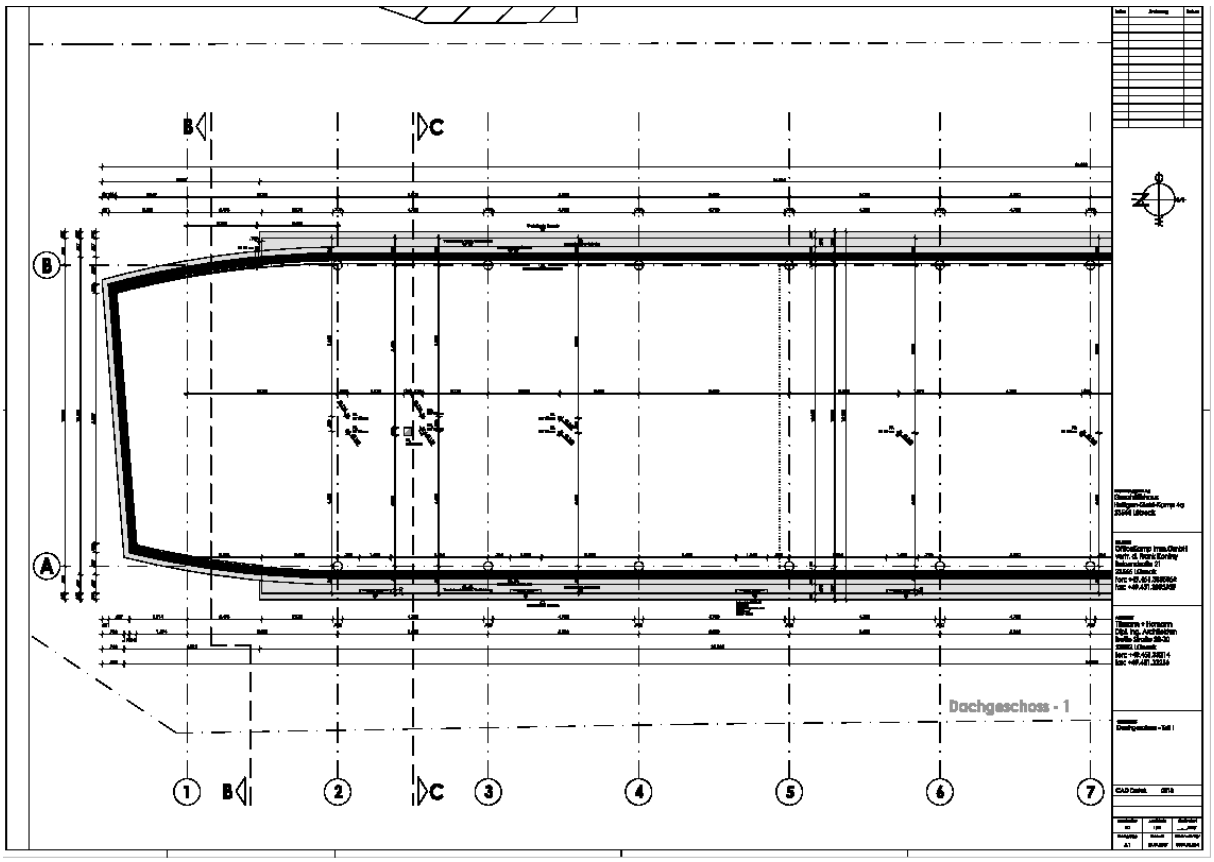


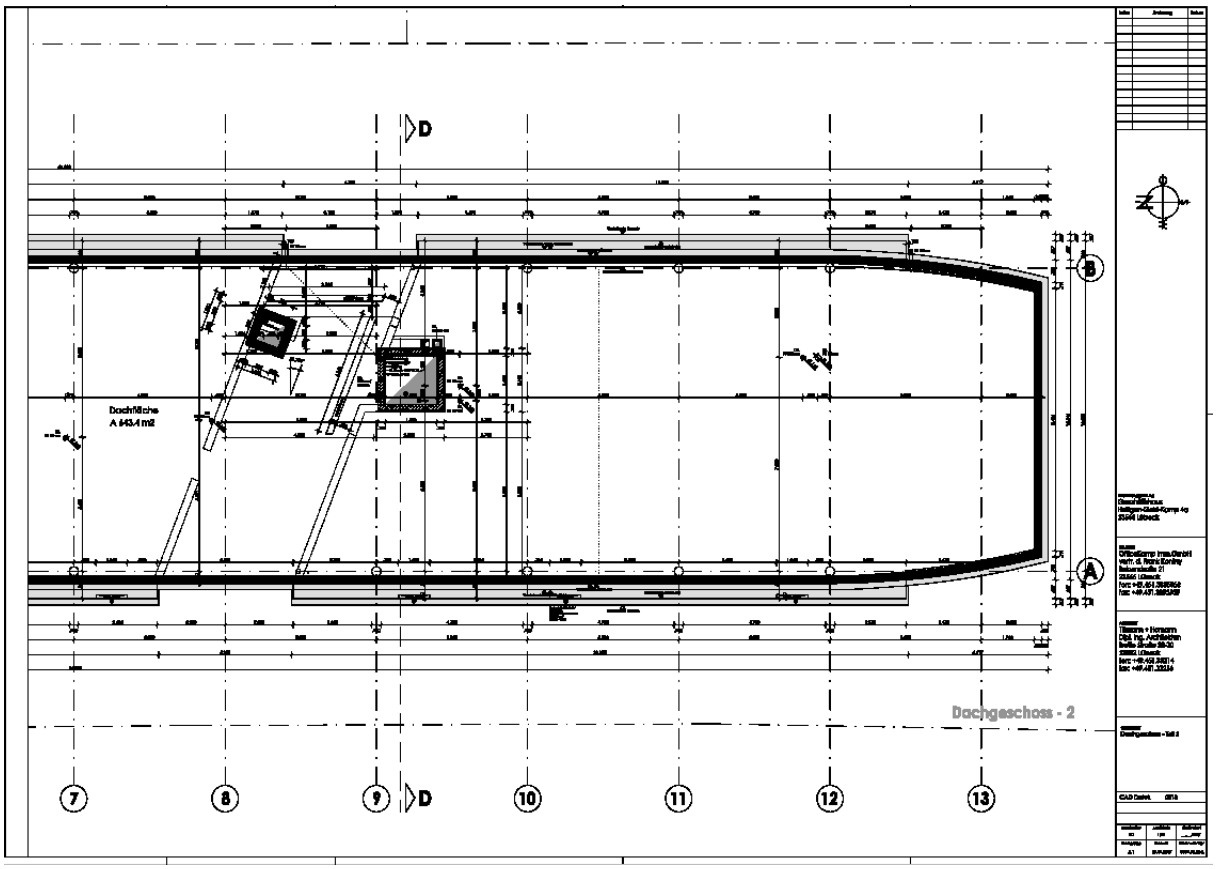
Second floor





Third floor


Dachgeschoss - 1


Dachgeschoss - 2